



VIA ELECTRONIC DELIVERY

May 18, 2012

David L. Furth
Acting Chief, Public Safety & Homeland Security Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: 2nd Quarterly Financial Report (Year Two) for Long-Term De Facto Transfer
Spectrum Leases
PS Docket No. 06-229**

Dear Mr. Furth:

The Public Safety Spectrum Trust Corporation ("PSST") hereby submits its second quarterly report (year two) to the Public Safety & Homeland Security Bureau ("PSHSB") regarding the administrative fees collected and expended pursuant to the terms and conditions of the May 12, 2010 and November 18, 2011 Orders in the above-referenced proceeding.¹ This report contains information on the fees received and expenses recorded through March 31, 2012.

Year One Fees Received: In September 2010, the PSST submitted invoices to each waiver recipient in the amount of \$15,000 for the administrative fee for the first year of the lease, consistent with the PSST budget approved by the PSHSB.² The administrative fee payments were due by November 1. As of January 31, 2011, the PSST had received all twenty of the administrative fee payments due from entities that received a waiver in May 2010.

¹ *Requests for Waiver of Various Petitioners to Allow the Establishment of 700 MHz Interoperable Public Safety Wireless Broadband Networks*, Order, 25 FCC Rcd 5145 (2010); *Requests for Waiver of Various Petitioners to Allow the Establishment of 700 MHz Interoperable Public Safety Wireless Broadband Networks*, Order, 26 FCC Rcd 16021 (2011) ("Year Two Budget Order").

² *Implementing a Nationwide, Broadband, Interoperable Public Safety Network in the 700 MHz Band*, Order, 25 FCC Rcd 10813 (2010).

In addition, the State of Texas ("Texas") received a waiver from the PSHSB in May 2011³ and entered into a lease with the PSST in June 2011. In June 2011, the PSST submitted an invoice to Texas in the amount of \$15,000. In July 2011, the PSST received the administrative fee payment from Texas.

Year Two Fees Received: In November 2011, the PSST submitted invoices to each waiver recipient in the amount of \$13,000 for the administrative fee for the second year of the lease, consistent with the PSST budget approved by the PSHSB.⁴ The administrative fee payments were due January 7, 2012 (except for the payment from the State of Texas, which will be due June 17, 2012). As of March 31, 2012, the PSST had received all of the required administrative fee payments from the waiver recipients.

Expenses: Attached is a summary of the PSST's expenses related to the administrative fee budget as of March 31, 2012.

Activities: During January-March 2012, the PSST engaged in numerous activities related to the administration of the 21 spectrum leases and the PSST's role as the spectrum lessor, including:

- Participating in telephone conversations, conference calls, and e-mail exchanges with the waiver recipients and their counsel, and with Commission staff, to address legal and administrative questions related to the May 12 Order, Standard Lease, and additional Commission and PSHSB releases related to current and potential future waiver recipients;
- Participating in ongoing conference calls with the waiver recipients through the PSST Operator Advisory Committee;
- Consulting with lessees regarding their quarterly reports;
- Reviewing new early deployment waiver requests;
- Reviewing requests for waiver of the lease administrative fee payment deadline, along with the PSHSB's Order granting those requests;
- Reviewing the PSHSB's Order providing guidance to the lessees regarding the implementation of a public land mobile network identifier (PLMN ID) and related network identification numbering scheme to support the interoperability of the network deployments;
- Researching issues related to the Bay Area Cities waiver request;
- Preparing and filing comments on the Bay Area Cities waiver request related to the long-term *de facto* transfer spectrum lease between the Bay Area Cities and the PSST;
- Reviewing comments filed in response to the Bay Area Cities waiver request;
- Reviewing the public safety broadband provisions of the Middle Class Tax Relief and Job Creation Act of 2012 and researching issues related to the lessees and the spectrum leases;

³ *Requests for Waiver of Various Petitioners to Allow the Establishment of 700 MHz Interoperable Public Safety Wireless Broadband Networks*, Order, 26 FCC Rcd 6783 (2011).

⁴ Year Two Budget Order.

- Providing letters of consent regarding applications for secondary experimental operations on spectrum licensed to the PSST; and
- Preparing and submitting a quarterly financial report to the PSHSB.

Please contact me directly with any questions.

Respectfully submitted,



Chief Harlin R. McEwen
Chairman
Public Safety Spectrum Trust Corporation
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cc: Jennifer Manner
Timothy Peterson



**Year #2 Lease Fee Summary
September 2011 – March 2012**

INCOME

Year #2 Administrative Fees Received (20 x \$13,000)	\$ 260,000.00
Adams County, Bay Area, Boston, Charlotte, Chesapeake, District of Columbia, Hawaii, Iowa, Los Angeles, Mesa, Mississippi, New Jersey, New Mexico, NY City, NY State, Oregon, Pembroke Pines, San Antonio, Seattle, Wisconsin Counties	
New Citizens Bank Account Deposit (Aiken)	\$ 100.00
TOTAL INCOME	\$ 260,100.00

EXPENSES

Year #1 Expenses over Lease Fee Receipts	\$ 13,602.25
September 2011	\$ 12,476.80
October 2011	\$ 9,155.60
November 2011	\$ 21,839.50
December 2011	\$ 8,100.41

January 2012

PSST Staff Hours.....29.50 hours @ \$150.00.....	\$ 4,425.00
PSST Bookkeeping/Accounting	\$ 150.00
Legal Services	\$ 12,618.90
Telephone Conference Bridge	\$ 39.61
Miscellaneous Expenses	\$ 99.04

JANUARY 2012 TOTAL\$ 17,332.55

February 2012

PSST Staff Hours.....13.25 hours @ \$150.00.....	\$ 1,987.50
PSST Bookkeeping/Accounting	\$ 175.00
Legal Services	\$ 10,899.25
Telephone Conference Bridge	\$ 140.59
Miscellaneous Expenses	\$ 37.91

FEBRUARY 2012 TOTAL\$ 13,240.25

March 2012

PSST Staff Hours.....31.00 hours @ \$150.00.....	\$ 4,650.00
PSST Bookkeeping/Accounting	\$ 0
Legal Services	\$ 13,594.05
Telephone Conference Bridge	\$ 0
Miscellaneous Expenses	\$ 0

MARCH 2012 TOTAL\$ 18,244.05

TOTAL YEAR #2 EXPENSES (Sept 2011-March 2012)\$ 113,991.41

05/18/2012